

MVAC MINUTES – FEBRUARY 11, 2004

The MVAC meeting was held on February 11, 2004 at the Division of Wildlife. Scott Madsen started the meeting at 9:07 am.

In Attendance: Mary Anne Kramer – CBI, Fred Trujillo – DOL, Karen Neuschwanger – CDOT, Teri Sidebottom – DOR Gaming, Beth Ann Wieder – CDOT, Nestor Lujan – DOR Drivers License, Russ Wilcox – DOHE UCCS, Steve Conrad – DORA, Grant Hammett – DORA, Cindy Hamby – DOR Hearings, Dave Monson – DOC, Patti Torres – DOLE, Ray Nelson – DOIT Telecommunications, Karen Griggs – CSP, Barbara Taylor – DOHE UNC, Michael Stadler – DOHE UNC, Kyle Shelton – CSP, Steve Akers – DOL, Bryan Flansburg – DOHE CU Boulder, Patti Hughes – DOHE CU Boulder, Adam Hiatt – DPA TMU, representing State Fleet – Scott Madsen, Larry Wegrzyn, Bob Schley, Terry Sisneros and Ken Hausauer.

Updates

- FY04 Replacements – There will be no replacements for FY04. For FY05 the JBC is considering a proposal to replace 767 Non-General Fund vehicles.
- Monitor Utilization/Commuting - Vehicles need to be assigned the appropriate utilization code. Commuting and Utilization will probably be subject to third party auditing. Larry – SFM: our reporting on commuting and utilization needs credibility. SFM needs to demonstrate a high level of compliance with common sense policies. Need to demonstrate when and why a vehicle utilization code changes. Codes should be assigned or changed because of real need rather than to avoid an underutilized vehicle. A suggestion was made to look at utilization codes by the percent of time the vehicle was listed with a particular code, and if it met that codes requirements for the time frame. At the end of the year check all utilization codes and distribution of fleet within the codes to show the percent distributed by Department Division and Section. This method might present technical challenges. Larry – SFM suggested keeping the process as simple as possible by developing a monthly utilization distribution. So far no problems have been seen in changes to the Commute and Utilization Statutes. On the Commute rule they will take out the section on law enforcement that lists various law enforcement positions in the departments. It will now refer to Peace Officer as defined in Statute. Please review the current Fleet rules and bring any rule change proposals to the March 2004 MVAC meeting. Statutes are laws; Rules are procedures and policies to support the laws. (Fleet rules can be found at: <http://www.state.co.us/dpa/cen/rules/>)
- New Auction Agreement – Juniper Valley (JVP) went through an audit and found they were not recovering all of the costs based on rates charged for auctions. SFM previously paid JVP a percent fee on total vehicle proceeds. Under the new agreement SFM pays a flat fee per vehicle. There are two flat fees, one for superior vehicles and one for inferior vehicles. The new agreement fee will cost more in total. SFM will be evaluating options and how well this is working for auctions.

Vehicles being sold need to have an emissions test done prior to sale. The emission testing facility located close to SFM has been closed. SFM has to take vehicles to another location west of town. If your vehicle is located in an emission area please get it tested before turn-in. SFM may have to implement an administration fee for test area vehicles that are turned in without a recent e-test.

- Fuel Card Use – A new policy is in place on using the fuel card for vehicle preventative maintenance and or repairs. The process will be to send an email to the vehicle coordinator for the first two occurrences. On the third occurrence an email will be sent stating the fuel card will be changed to a “fuel only” status. The card will not be able to purchase quarts of oil, washer fluid, car washes etc. SFM needs to maintain correct vehicle history. If the fuel card is used for maintenance and repairs these charges come in as misc. maintenance. This could affect the warranty of a vehicle by not tracking preventative maintenance intervals.

Operations

- Short-Term Assignments – SFM will have a limited number of vehicles to be used for short-term needs this year, due to the rejection of FY04 vehicle replacements. SFM will work with agencies such as CDOT and DONR to identify the peak seasonal demand. If a short-term vehicle is assigned and gets wrecked or is denied repair it may not be replaced with another short-term vehicle due to lack of inventory.
- Alternate Vehicle Acquisition (AVA) – Ron Clatterbuck – SFM has put together an Invitation for Bid (IFB) for purchasing used vehicles from multiple vehicle vendors. The problem is with the spending authority. State Purchasing will not allow SFM to purchase Federal Surplus vehicles through JVP as it would violate fiscal and procurement rules. JVP can bid on SFM 's IFB to become a used vehicle vendor provide they have the proper licensing.

Ron is also in the process of putting together a commercial leasing IFB to enable SFM to lease from a private leasing company. Some agencies have tried this and found it is not beneficial. CU leases vehicles from the school district when they are not using them.

CBI feels commercial leasing has worked well in the past for them because of the undercover issue. CBI finds a need to rotate vehicles after a certain amount of time, due to them no longer being undercover. The vehicles need to be different not necessarily new. If different groups have undercover needs maybe they could swap between Departments to obtain different vehicles. CSP sees a problem with this because radios and other accessories that would need to be swapped. SFM would like to see if something could be worked out. There is an agreement stating that CBI undercover vehicles will be replaced every 2 years, however, the OSPB is not receptive to this accelerated cycle.

- Larry/Scott – SFM urged coordinators to drive the arguments of safety and security through Agency OSPB and JBC analysts. Appropriations and spending authority are the limiting factors in ANY vehicle acquisition.

- Set up an MVAC sub committee to make recommendations regarding solutions to the undercover issue. Scott will then take the suggested solutions back to OSPB.
- DoIT Awards – the CARS IT group won the “Technical Implementation Award”. Way to go team!
- Web Updates –
 - Maintenance Cost by Part Code – Speed issue not yet solved. Upon finding solution the report will be made available.
 - Fuel Card Requests – Demo request form. The recipients name and address can be changed from the person requesting the card. Defaults authorization limits can be changed as needed. Suggested changes – add text box for plate changes, text box stating need to send the registration to SFM for plate changes, pop up window for limits and check box for undercover account. SFM will address these recommendations at the next meeting
 - Miles to Lease Ending Report – had a bug, is now fixed.
 - Utilization Report – currently vehicles that are showing up as underutilized appear in red. When printing the red does not show up. It was suggested that the red be in red bold or parenthesis, which implies a negative amount. It was decided to put this number in bold red.
 - Scheduled for Rollout – the ability to print odometer history per month and year. This will enable you to view any historic months(s) of odometer readings on any division section. Need Member input on Fleet snapshots and vehicle snapshots, some are available in CARS.
 - Change Requests – requests to change utilizations codes, change billing codes and internal transfers, are forthcoming
 - Policies Intentions Posted – these will be posted on the public part of the web site in the next several months with forms for download.
 - Accident Policy and Procedures
 - Donated Vehicles
 - Pre-paid Vehicles
 - Short-term Assignments
 - Grant Vehicles

Open Discussion

CARS will flag Odometer entries over 5000 miles. SFM must okay all flags. If mileage is over-reported, the actual mileage it can be credited. Do not wait to catch up on miles. Notify SFM to correct entries immediately, otherwise unnecessary maintenance may be inadvertently authorized. CU-B concerned that they upload miles electronically and don't see flags. SFM recommends checking CARS after upload to see if there are any flags. Odometer readings affect the utilization and warranty of a vehicle. CU-B suggestion – have CARS look at the utilization code and be able to change the default odometer limit accordingly or have the flag reset to a different number other than 5000. Larry – SFM this would most likely result in an unacceptable number of flags occurring

on the entry field. If a vehicle would show up on the underutilized list due to an error in odometer reporting this would be justification to have it removed from the list. Please try to have correct odometer readings before entering and have SFM correct if you find an error as soon as possible. Please be sure to start watching the utilization on vehicles before the end of the fiscal year.

Presentation – Scott Madsen, SFM

Rate Setting – Cause and Affect

Variable -- SFM uses a base rate from April 1st through March 31st. (This year the base will be March 1st through February 29th so that rates can be out in March.) SFM needs to wait to set rates until they know what the replacements are going to be for the current year and have the final figure setting numbers including overheads. The maintenance cost increases when there are no replacements, and the increase will probably be dramatic for FY05 since there are no replacements for FY04. For planning purposes SFM expects a 10-12% increase on maintenance costs. SFM will look at individual costs by class or department and give an indication on what to expect next year on rates.

Fuel – SFM anticipates it to stay where it is. (*This has changed significantly since the meeting.*) If there is huge change that will reduce the fund balance a possible mid-year rate increase or decrease will take place. Insurance looks to stay the same.

Fixed – will try to hold steady on the management fee. (There could be a slight increase.)

SFM had to anticipate achieving the full 5% year over year reduction in miles and therefore the current budget and rates on getting the 5% reduction. The actual reduction through January is about 2.5% year over year. DOT is a big mileage user and miles for DOT are increasing; otherwise mileage would be down about 4%. SFM will go in for a supplemental to the budget, about \$450,000 by the end of the year based on the 2.5% reduction in mileage and current estimates for maintenance and fuel.

There were no questions about rates after the presentation.

Larry – SFM gave away a gift certificate to Sherwin Williams in Boulder. The winner was Barb Taylor – UNC.

The meeting was adjourned at 11:10 am.

The next meeting will be March 10, 2000 at 9:00 am. The meeting will be held at the Division of Wildlife, Big Horn Room, 6060 Broadway.